

## CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT

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SECURITY INFORMATION

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1. Werk fuer Schwermaschinenbau S.M. Kirow der A.G. Transmach, Leipzig (formerly Unruh & Liebig). During February 1953, seven very large freight cars were repaired and one 120-ton drop-frame car was completed. The tires for the wheels came from the Stahlwerk Riesa and the axle parts from a works at Ilseburg, Harz. There is material on hand for eight more cars, except the tires which are on order from Riesa. Other production in February consisted mainly of mining and oil-boring equipment for the USSR. About 60 tons of finished and semifinished goods leave the works daily, intended either for the USSR or for Poland and Czechoslovakia as deliveries in return for materials. Three large gear trains were also delivered to the USSR in February. The gear cases measured 3 by 4 meters in front. The gears themselves are of heat-resistant steel which was delivered from the USSR. Two heavy ship's winches were shipped to Wismar at the end of February.
2. IFA Karosseriewerk, Leipzig. Difficulties over materials continue. During February 1953, 17 tank trucks of 5,000 liters capacity were built, and five trailers for tank trucks. About 800 mufflers were also delivered in February to various motorcar factories in East Germany. A new production line is the manufacture of parts for the IFA F-9, which is built exclusively for the Volkspolizei; it is a four or six seater service car without doors. Dismissals of employees are being made on account of the materials shortages.
3. Bleichert Transportanlagenfabrik der AG Transmach, Leipzig. A heavy duty crane of about 10 ton load capacity was completed on 26 February 1953. Two ship's cranes on which work had been interrupted for a long time were also finished.
4. SAG fuer Maschinenbau AMO, Schwermaschinenbau Karl Liebknecht, formerly Buckau-Wolf, Magdeburg. Two ship's engines under repair have been lying in the works for about a month and a half on account of lack of cams and crankshafts. The crankshafts have to be specially manufactured because the engines are of Soviet type. A 320 h.p. engine and two 120 h.p. engines have been completed, on an order given a long time ago by the Ministry of Machine construction.

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New production includes three 800 h.p. water-cooled airplane engines, such as formerly were built for Junkers; this job in all probability is intended for the Seepolizei. Four 15 h.p. starting motors have been manufactured, provided with aluminum housings and packed with great care. Six heavy shafts, presumably for use in ships, have been finished and shipped to Wismar. The shafts are three meters long and 12 cm in diameter. The material was delivered by the Stahlwerk Henningsdorf and Poland. Twelve-ton half-tracks were also manufactured which are still awaiting delivery.

5. Walzlager Fraureuth: The experimental production of engines and parts for caterpillar vehicles has been suspended and the production transferred to Zwickau. There is no change in the production of ball bearings.
6. Iowa, Werdau: There is great dissatisfaction among the employees here because they got no pay on 13 March 1953. The plant itself has an indebtedness of 8 million DM. Three cars of the G-5 and G-6 types have been turned out daily. They are delivered to the Volkspolizei. Production costs and returns are quite disproportionate; hence the indebtedness.
7. Leuna-Werke (Walter Ulbricht, SAG fuer Mineralduengemittel). [redacted] this plant is no longer in a position to pay wages and salaries regularly. During the first quarter, it had to pay a quarter million DM rent to the former owner (SAG). The exceptional scarcity of raw materials in the last two months has added to the difficulties. 25X1
8. The furnishing of the new ministry of the East German Government in Klingenbergstrasse, Berlin, is being done entirely by private firms of Leipzig and vicinity. The steelwork installations are delivered and installed by a Merkleberger (sic) firm. [redacted] the wood used for the planking and walls was found to be already rotting. Large rooms in the basement have been fitted out with steel shelves and are known as chart rooms. 25X1

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